



STATE OF ARIZONA

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GOVERNOR

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March 29, 2006

The Honorable Jim Weiers  
Speaker  
Arizona House of Representatives  
1700 West Washington Street  
Phoenix, Arizona 85007

Re: House Bill 2186: state annual financial report; format

Dear Speaker Weiers:

Today I vetoed House Bill 2186, related to the state's annual reporting requirements. This bill would have required the Arizona Department of Administration ("ADOA") to significantly alter its financial transaction report format in a costly and inefficient manner. It has been estimated that the cost of compliance with this new reporting requirement is over \$750,000, but House Bill 2186 contains no new money to cover this new expense.

This expense is also unnecessary. As the Senate fact sheet to House Bill 2186 makes clear:

"Since 1968, state law requires that all state agencies disclose to ADOA all requests for and receipts of federal funds. The state's General Accounting Office in ADOA tracks, by federal grant, each dollar of revenue received and expended. The executive branch also keeps track of the receipt and expenditure of federal grant funds that flow into Arizona through ADOA. Annually, the Governor's Office of Strategic Planning and Budgeting reports on all federal revenues and expenditures on an agency-by-agency basis."

Thus, the legislature already receives the information that House Bill 2186 would cost \$750,000 to replicate. For these reasons, I have vetoed House Bill 2186.

Yours very truly,

A handwritten signature in black ink, appearing to read "Janet Napolitano".  
Janet Napolitano  
Governor

JN:TAN/jm

cc: Hon. Ken Bennett  
Hon. Andy Biggs